

Service Date: August 13, 1975

BEFORE THE UTILITY DIVISION

DEPARTMENT OF PUBLIC SERVICE REGULATION
MONTANA PUBLIC SERVICE COMMISSION

IN THE MATTER of the application)	
of PACIFIC POWER & LIGHT COMPANY)	DOCKET NO. 6328
for an order authorizing it to)	
issue not exceeding 3,000,000)	DEFAULT ORDER NO. 4208
shares of its Common Stock of the)	
par value of \$3.25 per share.)	

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On July 10, 1975, PACIFIC POWER & LIGHT COMPANY (hereafter referred to as Applicant), filed with the Montana Public Service Commission Its verified application, requesting an order authorizing Applicant to issue not exceeding 3,000,000 shares of its authorized but unissued Common Stock of the par value of \$3.25 per share. The application is supported by exhibits and data in accordance with the rules and regulations of the Commission governing the authorization of issuance of securities by electric and gas utility companies operating within Montana. For detailed information with respect to the general character of Applicant's business and the territory served by it, reference is made to its annual reports on file with the Commission.

The application sets forth Counsel who will pass upon the legality of the proposed issue, the other regulatory authorizations required and the propriety of the proposed issue.

At a regular open session of the Montana Public Service Commission, held in its offices at 1227 11th Avenue, Helena, Montana, on August 5, 1975, there being present Chairman Gordon E. Bollinger, Commissioner, P.E. Gilfeather, and Commissioner George Turman, there came

before the Commission for final action, the matters and things in Docket No. 6328, and the Commission, having fully considered the application and all the data and records pertaining thereto on file with the Commission and being fully advised In the premises, makes the following:

FINDINGS OF FACT

1. Applicant, Pacific Power & Light Company, is a corporation organized and existing under and by virtue of the laws of the State of Maine and is qualified to transact business in the State of Montana.

Applicant's principal executive office is in the Public Service Building Portland, Oregon, and its principal Montana office is in Kalispell; Applicant is duly qualified to do business in the states of Montana, Oregon, Washington, California, Wyoming and Idaho.

2. Applicant is operating as a public utility as defined in Section 70-103, RCM 1947, and as such is engaged in furnishing electric and water service in Montana.

3. The Commission has jurisdiction over the subject matter of said application under Sections 70—117.1 through 70-117.6, RCM 1947.

4. Public notice of the filing of application and opportunity for public hearing was given on July 17, 1975, in The Western News, Libby, Mt., on July 16, 1975, in The Missoulian, Missoula, Mt., on July 18, 1975, in The Daily Interlake, Kalispell, Mt., and no protests or requests for a formal hearing were received by August 4, 1975.

5. The securities proposed to be issued are not exceeding 3,000,000 shares of Applicant's authorized but unissued Common Stock of the par value of \$3.25 per share (Additional Common Stock). For a description of the Additional Common Stock, reference is made to Description of Common Stock, in Applicant's Registration Statement (Exhibit D).

6. Applicant proposes publicly to invite bids for the purchase from it of the shares of Additional Common Stock. For a description of the competitive bidding procedures proposed to be followed, reference is made to (a) the proposed Public Invitation for Bids and accompanying Statement of Terms and Conditions Relating to Bids (Exhibit G-1), and to (b) the proposed Form of Bid and accompanying Terms of Purchase (Exhibit G-2).

7. Information showing, both on a per unit and total basis, (a) the price at which the Additional Common Stock is to be offered to the public by the underwriters, (b) the discount at which It is to be sold by Applicant to the underwriters, and Cc) the resulting proceeds to Applicant from the sale of the Additional Common Stock will be supplied as soon as available.

8. Estimates as to the various items of expense to be incurred in connection with the issuance and sale of the Additional Common Stock are set forth in the application. The total estimated expense in connection with the issuance and sale of the Additional Common Stock is \$119,000.

9. All of the estimated proceeds (assumed to be \$60,000,000 if 3,000,000 shares are issued and sold), less expenses of issuance and sale, to be realized from the sale of the Additional Common Stock will be used and are needed to repay short-term notes prior to or as they mature issued pursuant to (a) Applicant's line of credit with certain banks, (b) in the form of commercial paper, as authorized by the Commission's Order No. 4138, dated May 29, 1974, in Docket No. 6227, or (c) pursuant to a Letter Agreement dated March 18, 1974, with certain banks therein named providing for a revolving stand-by loan facility not exceeding \$35,000,000 at any one time outstanding as authorized by the Commission's Order No. 4134 issued March 18, 1974, in Docket No. 6220. Proceeds from the sale of these notes have been and will be used to temporarily finance current transactions including a part of Applicant's construction program. It is presently estimated that at the time of the Common Stock closing, the aggregate principal amount of short-term notes outstanding will be about \$128,000,000. Construction expenditures for 1975 are presently estimated at about \$256,743,000 (Exhibit F).

10. Further permanent financing is to be undertaken by Applicant in 1975, but the amounts and types of securities then to be issued have not yet been determined. For additional information with respect to the purpose for which the Additional Common Stock is to be issued, reference is made to Use of Proceeds, Construction Program and Financing Plans in Applicant's Registration Statement (Exhibit D).

11. Applicant requests that it be authorized to issue and sell the Additional Common Stock without further filing with the Commission and states that it will promptly furnish the aforesaid information with respect to the results of competitive bidding as soon as available.

CONCLUSIONS OF LAW

The securities transaction proposed by Applicant, as hereinafter authorized, will be for a lawful purpose and is consistent with the Public interest; that the same is necessary, appropriate and consistent with the proper performance by Applicant of service as a public utility; and that the aggregate amount of securities outstanding and proposed to be outstanding will not exceed the fair value of the properties and business of Applicant.

ORDER

IT IS ORDERED by the Commission: 1. The application of Pacific Power & Light Company for authority to issue and sell not exceeding 3,000,000 shares of its Common Stock of the par value of \$3.25 per share (Additional Common Stock), pursuant to Sections 70-117.1 through 70-117.6, inclusive, RCM 1947, and to use the proceeds for the purposes set forth in its application and hereinabove, is approved, subject to the provisions of this order.

2. Applicant shall sell the Additional Common Stock pursuant to the competitive bidding requirements of the Federal Power Commission's Regulations under the Federal Power Act and that the sale of the Additional Common Stock may be made without further application to or

order of this Commission.

3. Pacific Power & Light Company shall file with the Commission, as promptly as practicable after the sale of the Additional Common Stock, a statement showing the names of all bidders, the terms of the several bids, a true copy of the purchase agreement and a copy of the final Prospectus, and thereafter, copies of all such reports as are required to be filed by Applicant with the Federal Power Commission (FPC) under applicable rules and regulations of the FPC, as now in effect or as hereafter amended, relating to the issuance, sale and use of proceeds from the sale of the securities authorized to be issued by this order.

NOTE: Section 70-117.6 RCM 1947 provides that neither the issuance of securities by Applicant pursuant to the provisions of this order, nor any other act or deed done or performed in connection therewith, shall be construed to obligate the State of Montana to pay or guarantee in any manner whatsoever any security authorized) issued, assumed or guaranteed hereunder.

On August 5, 1975, by a vote of 3-0, Commissioners Thomas G. Monahan and James R. Shea being absent.

GORDON E. BOLLINGER, Chairman

P.J. GILFEATHER, Commissioner

GEORGE TURMAN, Commissioner

ATTEST:

GAIL E. BEHAN
Secretary

(SEAL)